

How to Set Your Rates

<u>Annual Income Goal</u>	<u>Example</u>	<u>Your Calculation</u>
1) Amount you want/need to earn, after expenses, in a year	<u>50,000</u>	_____
2) Business expenses As an estimate use 30% for expense figure. Multiply above amount by .30	<u>\$15,000</u>	_____
3) Gross revenue (income before expenses) Add line number 1 to line number 2	<u>\$65,000</u>	_____
4) Weekly revenue Line number 3 divided by 52 weeks	<u>\$1,250</u>	_____
5) Rate charged per child Divide line number 4 by number of children desired. (For example 7 children)	<u>\$178</u>	_____

This calculation does not take into account different rates for different aged children or part-time rates. You can set different rates for different ages:

6) Differing Rates

(For example: 1 infant at \$250 a week

1 toddler at \$200 a week

3 full-time preschoolers at \$180 a week

2 part-time preschoolers at \$130 a week

Total: \$1,250 a week

1,250

If you are just starting out, you can expect to work 65 hours a week. (11 hours a day, 5 days a week caring for children and another 10 hours a week on cleaning, paperwork and meal preparation.) If you earned \$1,250 per week, you would be earning \$19.23 per hour.